

I suggest that the appropriate legislative committee thoroughly digest and consider the recommendations made in this report so that such changes as are beneficial to the public welfare can be adopted. It is my deliberate judgment that the time is ripe for many of the recommended changes in our State government.

It is needless for me to remind you that while North Carolina has forged ahead in many fields it has not set the pace in the efficiency with which our government is operated. As a matter of fact, there is hardly a major proposal in the whole report which has not been supported at one time or another by preceding Governors, members of the General Assembly and the press throughout North Carolina. If we desire economy, there is but one path for us to take.

About twenty-five leading states of the forty-eight now have a consolidated or cabinet form of government such as herein recommended. This would indicate that there is nothing radical or new in adopting an improved system of government. At least a dozen General Assemblies now in session will this month give attention to this question. Governor Byrd of Virginia prepared for his address to the General Assembly in 1928 a detailed list of "direct cash savings" amounting to \$800,000 for the first biennium of the code operation. In the Maryland reorganization, the central purchasing feature alone has saved the state \$200,000 annually on \$2,000,000 purchases—not to mention the savings resulting from other consolidations, chief among which was the consolidation of the institutions of higher education into the University of Maryland. In the Pennsylvania reorganization, a deficit of \$29,000,000 was wiped out within the first three years of the code operation, and deficiency appropriations averaging nearly \$7,000,000 for the biennium were practically dispensed with. The reorganization of state government in New York by Governor Smith and a like reorganization in Illinois by Governor Lowden—who were alike pioneers in the field of state government reorganization—received nation-wide recognition by reason of the improved efficiency and economy they created. Maine and New Jersey at this moment are improving and reconstructing their state governments. Along the entire Atlantic Seaboard beginning with Virginia we find evidences of great steps forward. Idaho made a saving of close to \$400,000 a year during the first four years after its had systematized its administrative activities. The state tax rate of Nebraska was lowered 33½ per cent after two years of operation under an administrative code.

In the light of the experience of these progressive states, there is now offered to the General Assembly the opportunity to render to the taxpayers of North Carolina a service unexcelled and unequalled in the history of the state. And I pledge you my utmost personal co-operation and every facility of my office in the performance of this service.

LOCAL GOVERNMENT

The various units of local government in North Carolina—the one hundred counties, the hundreds of cities and towns, and the more than one thousand taxing districts—collect more taxes, spend more money, employ more public servants, have a more intimate contact with, and exert a more direct influence upon the lives of our citizens than does the state government. Inefficiency and maladministration of finances in many of our coun-